Insurance & Reinsurance Firms and the Implementation of Mobile Technologies
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• New Mobile Technologies
• “New ways of performing tasks”
• New organisational designs
• Better understanding of cost (or technical premium).
New Mobile Technologies and New Organisational Designs

• Technology used for cellular communication, e.g. any device operating in 4G.

• Barney (2011) argue they are implemented in the physical resources of the firm.

New Ways of performing Tasks and New Organisational Designs

• The time users spend engaging with the mobile systems.

• Barney (2011) mentions that these are tasks performed by human resources.
New Organisational Designs Lead to Better Understanding of Cost (or Technical Premium).

- New products/organisational designs.
- Self-Reported vs More Precise Measures.
- Better segmentation of customers.

Challenges for Actuaries in their Models

- A lot of data captured by companies (need of Machine Learning).
- The precision of some devices are doubtful (need to be validated with other tests).
- Correlation between self-reported and device measurements.
Challenges for Industry

• Are Reinsurance companies able to obtain the same benefit as insurance companies.
  – Who owns the data?
  – What is the best of way of transmitting it?

• Are customers fully aware of what happens to the data?
  – Where Data comes from and goes to?
  – Is the data captured and stored safely?

Conclusions

• Mobile technologies change insurance and reinsurance companies designs

• They do this by changing how the resources of companies work together.

• Trend is here to stay but reinsurance companies may not observe the same benefit as they are less exposed to asymmetric information.
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